

Rewald Trial Costing You Millions

EXCLUSIVE TO THE SPOTLIGHT

By Tom Valentine

Lawyers have been reduced to tears and fits of explosive anger as the CIA prosecutes Ronald R. Rewald in Hawaii.

The public expense for this circus has been estimated at more than the \$6 million Rewald is said to have bilked from investors in his CIA-cover company; and the cost keeps going up.

U.S. district Judge Harold Fong is determined to see the case through to a close even though doors of appeal are opened wide and attorneys for Rewald have begged, sobbed and screamed in anger for a mistrial.

"That judge [Fong] is the worst that I've seen in all my years of practicing law," Melvin Belli told The SPOTLIGHT.

Belli was hot because Fong had denied a petition that A. Brent Carruth, Belli and others be allowed to take Rewald's case after a fund for Rewald's defense had been arranged by anonymous donors—said to be other CIA agents who don't like what's happening to Rewald.

Not only did Fong deny the request that defense lawyers who are not paid by taxpayers take Rewald's case, he also denied a change of venue despite the reams of uneasy press about the Rewald matter in Hawaii for the past two years, and he denied a motion that he be disqualified for several reasons, not the least of which was that he has a relative and friends who invested and lost with Rewald's company.

Carruth prepared a writ of mandamus and appealed to the Ninth District Court of Appeals, but the writ was denied 2-1 just before the Labor Day weekend.

As Rewald's privately paid defense plans were sinking in the west, his taxpayer-paid defense was fighting valiantly against heavy odds in the Hawaii courtroom.

The trial began August 5 in controversy after Fong held the selection of jurors in his chambers rather than publicly in the courtroom to "speed things up."

Then Fong slapped a gag order on everyone not to talk to the press, threat-



RONALD REWALD
... Motion for mistrial denied.

ening heavy contempt citations for any violation of the order. The potent order even stopped The SPOTLIGHT's reliable source from commenting "because whatever comes out will be blamed on Rewald."

From the outset, Fong has ruled that evidence of CIA involvement with Bishop, Baldwin, Rewald, Dillingham & Wong, Rewald's company, is irrelevant to whether Rewald defrauded investors as charged. This has led to the jury being removed from the courtroom during much of the trial and the defense lawyers being frustrated to the limit.

Rewald is represented by court appointed public defender Michael Levine and his assistant, 27-year-old Brian Tamanaha, who is being applauded for his excellent courtroom work. This is his first case out of law school.

Both Levine and Tamanaha were reduced to tears of anger and frustration by Fong, who cited them for contempt of court, on August 31.

The prosecution is headed by John Peyton, former chief of litigation for the CIA—a fact the jury cannot be told. TWO 'MASON'S'

The sobs and requests to be taken off the case by Levine came after a curious courtroom scenario. On August 29, "John Mason," a spook who is perfectly type cast for the role, testified for the prosecution, but Rewald's lawyers were told by Rewald that this was not the same John Mason Rewald had met in Los Angeles years earlier to set up a cover deal.

Rewald's defense could offer no proof other than Rewald's statement, so Tamanaha asked for a handwriting check to establish the identity of "Mason." Fong called such a sampling a "gimmick" and denied the appeal.

Later, lawyer Levine tricked the spy into signing a document without the court's permission and this led to the discussion that led to the contempt charges. When Tamanaha turned away from the bench, the judge shouted that he was being disrespectful and the youthful attorney burst into tears.

Levine wanted a mistrial declared. It was denied. The defense cried real tears and the judge gave everyone the afternoon and the long Labor Day holiday off.

A SPOTLIGHT source following the trial said "Mason" wasn't the only false

witness being used to nail Rewald. On several occasions over the past six weeks Tamanaha and Levine have challenged documents entered by the prosecution as being falsified.

CIA witness Mitchell Lawrence said Rewald cleared security checks when he should not have. Then Lawrence denied Rewald ever spied for the agency in college, as he has claimed. Of course for the CIA to admit it, would be to admit to a federal crime: The CIA cannot legally spy in America.

STORY BROADCAST

Despite the gag order, Larry Price, a Honolulu television newsman, broadcast the story about Rewald's passing of a lie detector test. The lie detector evidence and the gag order will provide interesting grist for Fong as the trial grinds on.

Rewald passed a lie detector test supporting his claim that the entire "Bishop Baldwin" episode, from beginning to end, was a CIA operation. Peyton said the lie detector test was worthless because Rewald answered only questions framed by Rewald supporters. Rewald then secretly took another test, this time using questions that had been posed by the prosecution. He passed again.

Fong is expected to refuse the lie detector evidence, but a precedent has been set in a federal court in Los Angeles where FBI agent Richard Miller is on trial, accused of spying for the USSR. Lie detector evidence has been allowed in that case.

Other developments of interest, but that are not yet making the headlines they deserve since the major U.S. media is being exceptionally quiet concerning Rewald's case, include:

- A conflict-of-interest connection between Judge Fong and a first cousin, Leslie Fong, who not only invested in Bishop Baldwin, but encouraged a high-ranking member of the South Korean Central Intelligence Agency to invest, who was also a friend of Judge Fong.

- The removal from Hawaii of Bill Irwin, former head of the FBI there, following The SPOTLIGHT story in which it was revealed that Irwin had been compromised by a tape made by Rewald.

- The failure of the U.S. Senate to confirm Michael Lilly as the attorney general of Hawaii. Lilly had once demanded that Scott Barnes, a self-confessed hit man who says he was hired to kill Rewald, return to Hawaii. Later



MELVIN BELLI
... Not allowed to defend Rewald.

Lilly made it known that if Barnes did return to Hawaii during this trial he would be in serious trouble.

- A new wrinkle developing in the courts as former high-ranking officers of the Green Berets file lawsuits against the United States for conspiring not to bring back prisoners of war. The connection between the suit filed by Maj. Mark Smith of Fort Bragg and others and the Rewald case is that famed mercenary James "Bo" Gritz (himself a former lieutenant colonel of the Berets) was financed through Bishop Baldwin.

- Syndicated columnist Jack Anderson has written more than a dozen columns pertaining to the Rewald case and generally showing that Rewald's counterclaims against the CIA stand up to investigation. However, for some reason Anderson has stopped following the case for his readers and despite being informed about the defense fund set up for Rewald, has failed to mention that important element.

The case against Rewald is not over, and the costs continue to skyrocket for taxpayers—whose only return thus far seems to be in "entertainment."

It would have been cheaper and smarter for the CIA to have quietly paid off the investors.

Testimony has brought out that Rewald was a playboy operative who played polo with some of the world's richest men and spent lavish amounts for sex—allegedly in the interest of the CIA.

It is possible that members of the CIA did, indeed, set Rewald up as he claims, but did so without permission from CIA headquarters. This is an out the CIA has yet to suggest as they train their big guns on fall guy Rewald.

Taxpayers continue to get their money's worth, however, as Barnes has filed a damaging lawsuit against the CIA, ABC-TV and numerous individuals based upon their slandering of him ever since his revelation about being hired to kill Rewald. Barnes told The SPOTLIGHT there have been feelers sent out seeking some kind of settlement.

The plot thickens and thickens, and it may be worth \$10 million in tax money yet.



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